

**REMARKS**

Claims 1-34 are pending. Claims 1 and 34 have been amended. Claims 2-5, 7, 10, 13-17, 24-32, and 34 have been canceled. Support for the present amendments is found throughout the specification and in the original claims as filed. For example, support for the amendments is found in paragraph [0112] of the specification. Consideration of the amended claims on the merits is hereby requested.

**Response to Restriction Requirement**

The Examiner designated claim 1 as generic and required that Applicants elect a specifically named or defined pathological change and a single specifically named or completely defined compound capable of inhibiting TGF- signaling. Applicants elect the condition of chronic obstructive pulmonary disease (COPD) and compound number 93 for further prosecution. Claims 1, 6, 8, 9, 11, 12, 18-23, and 33 all read upon the elected subject matter.

Applicants have made this election without prejudice to their right to pursue non-elected inventions in one or more divisional applications.

### CONCLUSION

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue. If it is determined that a telephone conference would expedite the prosecution of this application, the Examiner is invited to telephone the undersigned at the number given below.

In the unlikely event that the transmittal letter is separated from this document and the Patent Office determines that an extension and/or other relief is required, applicants petition for any required relief including extensions of time and authorize the Assistant Commissioner to charge the cost of such petitions and/or other fees due in connection with the filing of this document to **Deposit Account No. 03-1952** referencing docket No. 219002034300.

Respectfully submitted,

Dated: April 30, 2007

By: 

James J. Mullen III., Ph.D.

Registration No. 44,957

Morrison & Foerster LLP

12531 High Bluff Drive

Suite 100

San Diego, California 92130-2040

Telephone: (858) 720-7940

Facsimile: (858) 720-5125